



# COMMITTEE ON APPROPRIATIONS

Congresswoman Nita Lowey (D-NY), Ranking Member

## Consequences of GOP Shutdown

*The Republican majority risks pushing hard-working American families into another damaging government shutdown. Like the last GOP shutdown just two years ago, this would have profound effects on our economy, national security, public safety, veterans, scientific research, and federal health and education initiatives.*

### Economy

- A government shutdown will cost our economy billions. The 16-day 2013 shutdown cost the economy \$24 billion, or \$1.5 billion per day, according to Standard and Poor's, and lowered forecast GDP by 0.6% due to impact on consumer confidence and spending.
- Hundreds of thousands of Federal employees immediately and indefinitely furloughed, and many Federal employees and contractors who continue to work not paid during shutdown.
- Small Business Administration (SBA) stops approving applications for small businesses to obtain loans and loan guarantees, typically more than \$1 billion per month.
- Housing loans to low and middle income families in rural communities put on hold, as well as start-up business loans for farmers and ranchers.
- Projects to improve rail and other mass transit infrastructure will cease as nearly 1,300 grantees lose access to federal funds.
- Commercial export sales halted.
- Walk-in taxpayer assistance centers closed and live operator assistance not available on the Internal Revenue Service (IRS) 1-800 number.
- Federal economic reports used by businesses and investors not released.
- The government will stop or delay environmental reviews of planned transportation and energy-related projects, keeping companies from working on these projects.
- Army Corps of Engineers construction projects stopped, hurting private companies and preventing job creation, and closure or reduced hours for 2,500 Corps of Engineers Sites.
- The Administration on Children and Families (ACF) will not be able to award new TANF and child care grants, which provide a lifeline to low-income working families.
- Smithsonian museums, national parks, national wildlife refuges, and other federal lands closed immediately, negatively affecting local economies dependent on tourism.
- Private businesses cannot use E-verify to check immigration status of potential new hires.

### National Security and Public Safety

- Furloughs of civilian intelligence and counter-intelligence analysts and support staff disrupt efforts to keep American troops and civilians safe at home and abroad.
- Physical protection for diplomatic personnel and facilities in dangerous locations overseas compromised, and risk assessments to inform advisory warnings for American tourists and corporations overseas restricted.
- International security assistance and counterterrorism aid, and equipment sales for critical allies like Israel curtailed, hurting national security, our allies, and our industrial base.
- Postponements of training events, closing of training ranges, and suspension of military education classes delay efforts to restore readiness.
- Delays in technology upgrades put nation at greater risk for cyber attacks.

- Suspension in refugee arrivals affecting thousands of refugees approved for resettlement, and suspension of humanitarian efforts including those supporting 4 million Syrian refugees.
- Federal efforts to enhance vehicle safety, aviation safety, and modernize our air traffic control system cease and aviation safety staff furloughed.
- Training curtailed for federal law enforcement agents.
- Grants to support local firefighters halted as grantees cannot draw down funds for Staffing for Adequate Fire & Emergency Response (SAFER), Assistance to Firefighter Grants (AFG), or Fire Prevention and Safety grants.
- Delays or cancellations of safety and security inspections at facilities licensed by the Nuclear Regulatory Commission (NRC), facilities under construction, and nuclear suppliers.
- Consumer Product Safety Commission – which ensures the safety of consumer products, including children’s toys and other goods – halts vast majority of safety operations.
- Hiring activities across the Department of Homeland Security cease, including efforts by understaffed agencies like U.S. Border Patrol and U.S. Immigration Enforcement.
- Contracting services at the Department of Homeland Security delayed or disrupted, interrupting mission support, maintenance, acquisition and other critical homeland security activities, resulting in financial penalties, increased cost, and compromised long-term effectiveness of Coast Guard and Customs and Border Patrol aircraft, ships, and boats.

## **Veterans**

- 11,000 Veterans per week will not be able to purchase homes using their VA Housing Benefit.
- After one day of government shutdown, Veterans Benefits Administration (VBA) carryover funds will be exhausted, leading to furlough of staff who process benefit claims.
- Department of Veterans Affairs call centers cease to function, and VBA Regional Offices public contact services not available.
- No decisions will be issued on claims appeals or motions.
- Recruiting and hiring of Veteran job applicants cease.
- The federal bureau responsible for providing specialized and targeted employment and training services to veterans will cease to operate.
- A shutdown of 20 days or more will prevent veterans receiving Compensation and Pension benefits or Readjustment benefits from receiving their November monthly payment on time.
- Vocational Rehabilitation and Employment services, including education counseling, would be limited.

## **Health, Nutrition, Education, and Research**

- The Supplemental Nutrition Assistance Program (SNAP) will not have enough money to fully cover October benefits for the 46 million Americans who receive them.
- Federal assistance to school districts, colleges and universities, and vocational rehabilitation agencies curtailed.
- Research into life-threatening diseases, environmental protection, and other areas halted.
- National Institutes of Health (NIH) shuts down most medical research taking place on its Bethesda campus, stops admitting new patients into its research hospital, turns children away from clinical trials, and stops reviewing grant applications and making or renewing research grants.
- Centers for Disease Control and Prevention (CDC) greatly curtails its activities to promote immunization, detect outbreaks of infectious diseases, support state and local health departments, and update disease treatment and prevention recommendations.
- Centers for Medicare and Medicaid Services (CMS) halts fraud prevention activities.
- Healthcare Resource Services Agency (HRSA) cannot make new grants to provide care and treatment for people with HIV/AIDS, or to improve maternal and child health.
- Substance Abuse and Mental Health Services Agency (SAMHSA) cannot make new grants to improve mental health services for children, prevent suicide, or combat drug abuse.
- Administration for Community Living (ACL) cannot make new grants to provide healthy meals to low-income seniors, leaving existing service providers scrambling to continue delivering meals.
- Food & Drug Administration (FDA) unable to support most food safety and nutrition activities.